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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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09/04/2003

Jonathan Helitzer

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FISH & NEAVE IP GROUP
ROPES & GRAY LLP
ONE INTERNATIONAL PLACE
BOSTON, MA 02110-2624

EXAMINER

PASS, NATALIE

ART UNIT

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/656,479	Applicant(s) HELITZER ET AL.	
	Examiner Natalie A. Pass	Art Unit 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 9 February 2007 & 22 January 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 23-38 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 23-38 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Notice to Applicant

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 22 January 2007 has been entered.
2. This communication is in response to the Request for Continued Examination filed 9 February 2007 and the amendment filed on 22 January 2007. Claims 1-22 have been previously cancelled. Claims 23, 25-26, 32-34, 36, 38 have been amended. Claims 23-38 remain pending.

Claim Rejections - 35 USC § 112

3. The rejection of claims 34, 38 under 35 U.S.C. 112, first paragraph, for reciting new matter is hereby withdrawn due to the amendment filed 22 January 2007.
4. The rejection of claims 25-26, 33, 38 under 35 U.S.C. 112, second paragraph, for being indefinite is hereby withdrawn due to the amendment filed 22 January 2007.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 23-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over Prendergast et al., U.S. Patent Number 5, 842, 148, analyzed and discussed in the previous Office Action (paper number 20061106), and further in view of Lloyd et al., U.S. Patent Number 5, 950, 150 and McCabe article: The Lowdown Ways To Reduce The Premium On Homeowner's Insurance. Aug. 25, 2000, URL:
<<http://proquest.umi.com/pqdweb?did=58666530&sid=2&Fmt=3&clientId=19649&RQT=309&VName=PQD>>, hereinafter known as McCabe.

(A) Claims 23 and 32 have been amended to include the recitation of

- ♦ "[...] issuing an insurance policy [...]," at lines 5 and 5, respectively;
- ♦ "[...] wherein the incorporated technology is capable of outputting data electronically [...]," at lines 7 and 6-7, respectively; and
- ♦ "[...] electronically [...]," at lines 8 and 9, respectively.

As per newly amended claims 23 and 32, Prendergast teaches a method for insuring a building structure by taking into account technologies that militate against loss comprising the steps of:

maintaining a database identifying a plurality of technologies that reduce risk of loss to an associated building structure (Prendergast; column 2, lines 29-34);

insuring with an insurance policy covering a building structure that incorporates a technology from the plurality of technologies identified in the database (Prendergast; column 6, line 58 to column 7, line 2) wherein the incorporated technology is capable of outputting data electronically; Examiner interprets Prendergast's teachings of "the original collected structural data is preserved in permanent electronic form usable by program 40" (Prendergast; column 7, lines 17-21) to teach a form of wherein the incorporated technology is capable of outputting data electronically;

determining the condition of the covered building structure based on data output by the incorporated technology (Prendergast; column 2, lines 15-39, column 6, line 41 to column 7, line 2).

Although Prendergast teaches "insurance carriers... may decide to give structures getting a favorable rating much lower insurance rates" (Prendergast; column 6, line 58 to column 7, line 2), which Examiner interprets to teach "altering terms of the issued insurance policy based on data output by the incorporated technology," Prendergast fails to explicitly disclose "altering terms of the issued insurance policy based on data output electronically by the incorporated technology" and although Prendergast teaches collecting "structural characteristics data" which Examiner interprets to teach "determining the condition of the insured building structure based on data output by the incorporated technology," Prendergast fails to explicitly disclose "determining the condition of the covered building structure based on data output electronically by the incorporated technology."

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However, these features are well-known in the art as evidenced by Lloyd.

In particular, Lloyd teaches a method comprising

altering terms of the issued insurance policy based on data output electronically by the incorporated technology (Lloyd; column 8, lines 8-24, column 9, lines 19-22); and

determining the condition of the insured building structure based on data output by the incorporated technology (Lloyd; column 7, lines 32-35, column 8, lines 8-24, column 11, line 66 to column 12, line 17). Examiner interprets Lloyd's teachings of "... [...] ... generating an operational criteria compliance verification report based on the sensed data. ... [...] ... forward the operational criteria compliance verification report to ... [...] ... predetermined entities, such as an insurance carrier, ... [...] ... notify in real-time such predetermined entities of problem conditions, and ... [perform] ... statistical analysis" (Lloyd; column 8, lines 18-24)" together with Lloyd's teachings of "[b]y reducing the risk, losses decrease as well. With losses reduced, insurers will have fewer monetary payouts, and can in turn pass these savings on to the general public through reduced premiums" (Lloyd; column 9, lines 19-22) to teach a form of altering terms of the issued insurance policy based on data output electronically by the incorporated technology; and Examiner interprets Lloyd's teachings of "notifying interested entities Y, such as a building maintenance person or a property management company, of certain problem conditions in real-time. This can consist of software 36 that determines the problem conditions that warrant real-time notification, which in combination with communication software 12, modem 16, and communications link 18b, can notify one or more of these interested entities Y of the specific problem condition" (Lloyd; column 11, line 67 to column 12, line 7) to teach a form of determining the condition of the insured building structure based on data output by the

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incorporated technology.

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the method of Prendergast to include these limitation, as taught by Lloyd, with the motivations of “providing a system and method capable of notifying insurers, property management companies, building/structure owners or other interested entities of any discrepancies or deviations in the preparedness of fire/life safety systems” and in this way “improve fire/life safety, minimize risk, and reduce the loss of life and property” (Lloyd; column 7, lines 24-28, column 8, lines 56-68).

Although Prendergast teaches “insurance carriers... may decide to give structures getting a favorable rating much lower insurance rates” (Prendergast; column 6, line 58 to column 7, line 2), and “a type of database related software that is becoming more and more useful to insurance and reinsurance industries to evaluate portfolios of insurance policies for actuarial purposes. In addition, lenders of all types are starting to utilize this type of database and related software in their loss reduction and risk analysis efforts” (Prendergast; column 5, lines 39-45), and “a reliable, quantified risk rating that can be used by insurance companies to make decisions regarding offering of insurance and rates of insurance” (Prendergast; Abstract), Prendergast fails to explicitly disclose issuing an insurance policy by an insurance company, covering a building structure that incorporates a technology from the plurality of technologies identified in the database.

However, this feature is well-known in the art as evidenced by McCabe.

In particular, McCabe teaches a method comprising

issuing an insurance policy by an insurance company (McCabe; Abstract, page 2,

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paragraph 3), covering a building structure that incorporates a technology from the plurality of technologies identified in the database (McCabe; Abstract, page 1, last paragraph, page 2, paragraph 3).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the combined teachings of Prendergast and Lloyd to include these limitation, as taught by McCabe, with the motivations of “providing “residential homeowners with incentives to strengthen their homes” (Prendergast; column 7, lines 7-10).

(B) As per claims 24-31, Prendergast, Lloyd and McCabe teach a method as analyzed and discussed in claim 23 above

wherein altering the terms of the insurance policy comprises giving “lower insurance rates” (reads on “altering the premium”) (Prendergast; column 6, line 58 to column 7, line 2);

comprising receiving the data output by the incorporated technology including receiving data indicating the functional status of the incorporated technology (Lloyd; Abstract, Figure 14, Item 810, column 24, lines 1-11);

comprising receiving the data output by the incorporated technology including data indicating the condition of the covered building structure (Lloyd; column 8, line 60 to column 9, line 11, column 24, lines 1-18);

wherein the data output by the incorporated technology is output over a communications network (Lloyd; column 11, lines 49-57);

wherein the data output by the incorporated technology is output via a broadcast transmission (Lloyd; column 11, lines 49-57);

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wherein the incorporated technology comprises a risk mitigation technology (Lloyd; column 8, lines 54-58);

wherein the technology comprises a risk militation technology (Lloyd; column 8, lines 45-58); and

comprising receiving, by the “carrier” (reads on “insurance company”), the data output by the incorporated technology (Prendergast; Abstract, column 6, line 58 to column 7, line 2).

The motivations for combining the respective teachings of Prendergast, Lloyd and McCabe are as given in the rejection of claim 23 above, and incorporated herein.

(C) As per claims 33-38, Prendergast, Lloyd and McCabe teach a method as analyzed and discussed in claim 32 above

comprising detecting, by the insurance company, a dangerous condition at the covered building based on data received from the incorporated technology (Prendergast; column 2, lines 51-61, column 6, line 58 to column 7, line 2);

comprising initiating a remedial action in response to the detected dangerous condition (Prendergast; column 7, lines 2-4);

wherein the incorporated technology comprises a risk mitigation technology (Lloyd; column 8, lines 54-58);

wherein the incorporated technology comprises a risk militation technology (Lloyd; column 8, lines 45-58);

wherein the condition of the insured building is determined by the insurance company (Prendergast; column 6, line 58 to column 7, line 2); Examiner interprets Prendergast’s giving “lower insurance rates” to “structures getting a favorable rating” to be a form of

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determination of the condition of the insured building by the insurance company; and

comprising receiving, by the “carrier” (reads on “insurance company”), the data output by the incorporated technology (Prendergast; Abstract, column 6, line 58 to column 7, line 2).

The motivations for combining the respective teachings of Prendergast, Lloyd and McCabe are as given in the rejection of claim 32 above, and incorporated herein.

Response to Arguments

7. Applicant's arguments on pages 5-8 of the response filed 22 January 2007 with respect to claims 23-38 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

8. The prior art made of record and not relied upon is considered pertinent to Applicant's disclosure. The cited but not applied references Rogers, U.S. Patent Application Publication Number 2001/0042024, Skidmore et al., U.S. Patent Application Publication Number 2003/0040934, Taylor, U.S. Patent Application Publication Number 2002/0010601, Taylor, U.S. Patent Application Publication Number 2002/0052765, Huff, U.S. Patent Application Publication Number 2002/0194033, Miller et al., U.S. Patent Application Publication Number 2005/0021360, Lerner et al., U.S. Patent Application Publication Number 2002/0087364, Bizar, U.S. Patent Number 6,633,820 teach the environment of reducing insurance risk.

9. Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks
Washington D.C. 20231**

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or faxed to: (571) 273-8300.

For informal or draft communications, please label "PROPOSED" or "DRAFT" on the front page of the communication and do NOT sign the communication. After Final communications should be labeled "Box AF."

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Natalie A. Pass whose telephone number is (571) 272-6774. The examiner can normally be reached on Monday through Thursday from 9:00 AM to 6:30 PM. The examiner can also be reached on alternate Fridays.

11. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas, can be reached at (571) 272-6776. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Receptionist whose telephone number is (571) 272-3600.

12. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Natalie A. Pass

April 27, 2007

Robert Morgan
Robert Morgan
Patent Examiner
Art Unit 3626